

certificate on the buyer instead of the seller when a vehicle is sold at public auction. In effect, Senate Bill 628 statutorily condones the sale of unsafe vehicles by unlicensed individuals.

Approximately 250,000 vehicles are sold privately or by auction each year. This number represents one third of all vehicles sold annually in Maryland. Senate Bill 628 would affect a huge segment of the motor vehicle market, both in terms of consumer protection and in terms of market inequities.

Current law requires the seller of any vehicle to have the vehicle safety inspected prior to its sale. This law applies to sales by private individuals as well as by licensed dealers, auctioneers, and other outlets. Although it is difficult to regulate sales not perfected by licensed dealers, the law is set up to provide uniform protection for the consumer. Senate Bill 628 would relax the standards of consumer protection for vehicles sold privately thereby providing less protection than already exists in the unregulated private market.

Furthermore, granting public auctions the authority to sell uninspected vehicles distorts the relationship between regulated dealer sales and unregulated auction sales. Having a statutory monopoly on a less restricted product (i.e., an uninspected vehicle which licensed dealers may not sell) favors the auction industry at the expense of the consumer.

For these reasons, I have vetoed Senate Bill 628.

Sincerely,
William Donald Schaefer
Governor

Senate Bill No. 628

AN ACT concerning

Vehicle Laws – Offering for Sale of Used Vehicles – Inspections

FOR the purpose of exempting the transfer of certain used vehicles from certain inspection requirements; requiring the transferee of certain types of vehicles to obtain a required inspection certificate; altering certain inspection requirements imposed on certain persons who offer for sale used vehicles; permitting certain persons to obtain a certain proof of inspection certificate before offering for sale a used vehicle; requiring a person to provide certain proof of ownership of a used vehicle under certain circumstances; imposing a certain penalty for certain violations of this Act; requiring the Automotive Safety Enforcement Division of the Maryland State Police to prepare and distribute proof of inspection certificate forms; prohibiting an inspection station from issuing a proof of inspection certificate for a vehicle under certain circumstances; defining a certain term; making stylistic changes; and generally relating to inspections in the offering for sale of used vehicles.

BY repealing and reenacting, with amendments,

Article – Transportation

Section 23-106, 23-108, and 23-109(a)